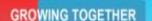


DAVID E. WILLIAMS

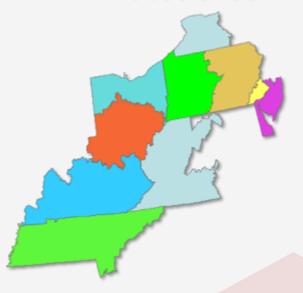
CHIEF OPERATING OFFICER & EXECUTIVE VICE PRESIDENT

GROWING TOGETHER



THANKS FOR YOUR LEADERSHIP!

FOCUS GROUP



INDUSTRY CO-CHAIR	MAIL CLASS
Richard Gebbie	First-Class Mail
Edward Mayhew	Periodicals
Lisa Wurman	Standard Mail
INDUSTRY CO-CHAIR	POSTAL CO-CHAIR

PHILADELPHIA PCC

SOUTHEASTERN PCC

SOUTH JERSEY PCC

Edward Strow

Lisa Wurman

Tanya Erickson

Jennifer Vo

Jeffrey Schoch

Bernadette Puodizunas

CUSTOMER VALUE

BUSINESS VALUE PCC VALUE

KEY STRATEGIES

PREMIER BMEU

EMPLOYEES

with tools to deliver customer solutions

PREMIER BMEU



Pilot One Location in Every District

Data Analytics and Technology

with actionable, real-time data and analytics





into data empowers, informs and connects













FOCUS ON THE CUSTOMER





Physical to Digital Mail Promotions

MyUSPS my.usps.com

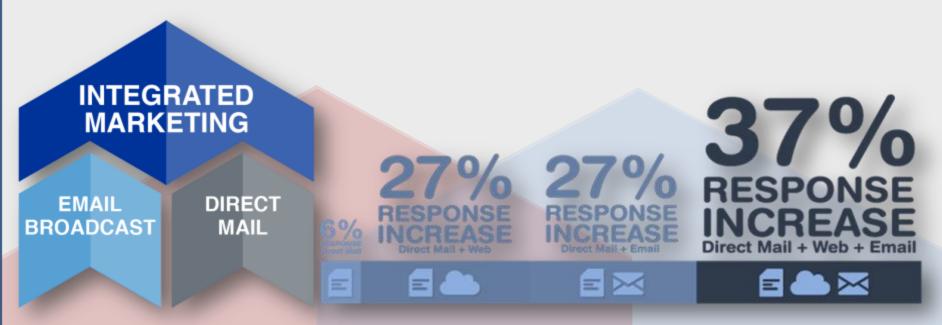
Faster Shipping.
More Visibility.
Simpler Returns.

LEVERAGING DIGITAL + PRINT

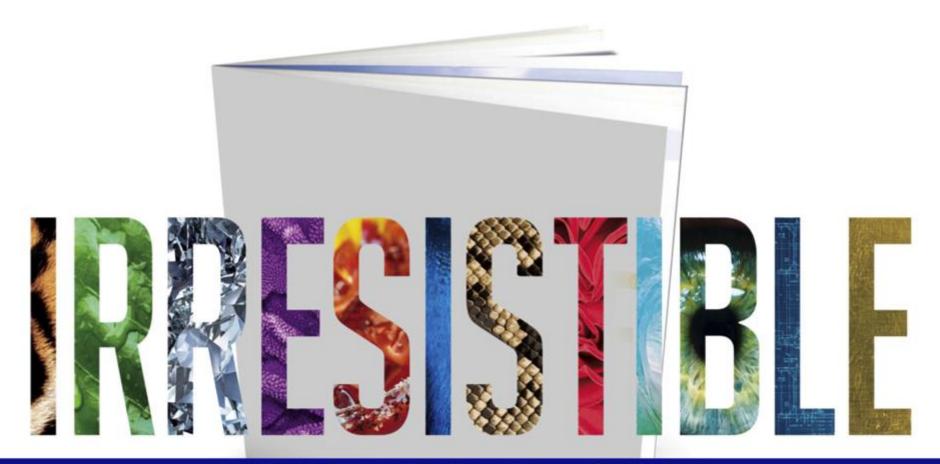
Direct Mail responses increase by using

Multi-Channel marketing

Using direct mail, web and email in integrated campaigns creates synergies that boost response more than using any medium alone.



www.irresistiblemail.com



INSPIRE + EDUCATE + ENGAGE





INFORMED DELIVERY APP



2015 PROMOTION STRATEGY

2015 Promotion Strategy Explores New Ways to Use Mail to Engage Consumers

First-Class Mail Promotions

Shows the value of First-Class Mail and encourage new uses:

- Drives new revenue through color advertising on bills/statements
- Provides more information to reduce calls to call center
- Builds brand loyalty through Cause Marketing

Direct Mail Promotions

Demonstrate how direct mail, combined with mobile technology, can increase response rate and drive consumers to:

- Shop on marketers mobile optimized site
- Allow online purchasing from mail ("buy now!")
- Enhanced customer experience (video, augmented reality....)

2015 PROMOTION CALENDAR

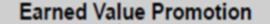


APRIL - MAY - JUNE

JULY - AUG - SEPT

OCT - NOV - DEC

FIRST-CLASS MAIL®



Registration March15 - April 30

Promotion Period May1 - July 31

Registration April 15 – Nov 30 Color Transpromo Promotion

Promotion Period June 1 - November 30

STANDARD AND FIRST-CLASS MAIL

Emerging and Advanced Technology Promotion

Registration March 15 - October 31

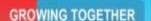
Promotion Period May 1 – October 31

STANDARD MAIL®

Mail Drives Mobile Engagement Promotion

Registration May15 – December 31

Promotion Period July 1 – December 31



2015 COLOR TRANSPROMO PROMOTION

Encourage FCM mailers to use color messaging on bills and statements

Discount: Upfront 2% postage discount

Promotion: June 1 – November 30

Results to date:

600M total pieces

2015 EMERGING & ADVANCE TECHNOLOGY PROMOTION

Encourage Direct Mailers to incorporate interactive technology to drive interest in mail as a marketing channel



Discount: Upfront 2% postage discount







Printed conductive inks create the circuit for conductive flow

Promotion: May 1 – October 31

Results to date:

2B total pieces

2015 MAIL DRIVES MOBILE ENGAGEMENT PROMOTION

Encourage marketers and retailers to utilize state of the art mobile purchasing technology with direct mail

Discount: Upfront 2% postage discount

Promotion: July 1 – December 31

Results to date:

1.7B total pieces

INNOVATE TO DELIVER VALUE INVEST IN OUR FUTURE

Our Commitment



Relentlessly Focus on the Customer



Equip, Engage & Empower USPS Employees



Innovate to Deliver Value



Invest in our Future

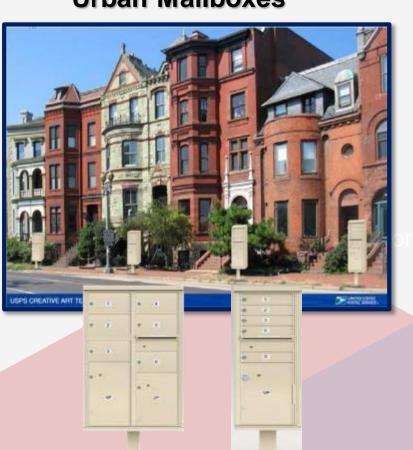


DELIVERY OUR CORE COMPETENCY



Next Generation Mail Box (NGMB)

Urban Mailboxes



Suburban Mailboxes



Fits 2 large priority boxes along with other mail

PRIORITY

Next Generation Mail Box (NGMB)

Urban





- Four pilot sites: Boston, New York, Pittsburgh and Washington DC
- Customers continue to register in pilot areas

Suburban



- Four pilot routes in CA, CO and ND
- 462 customers have registered for the Next Generation Mailbox

Customer Feedback

- "This is amazing. I don't have to go to the PO anymore.
- "I've been making more online purchases because the mailbox is so convenient."

Customized (Grocery) Delivery



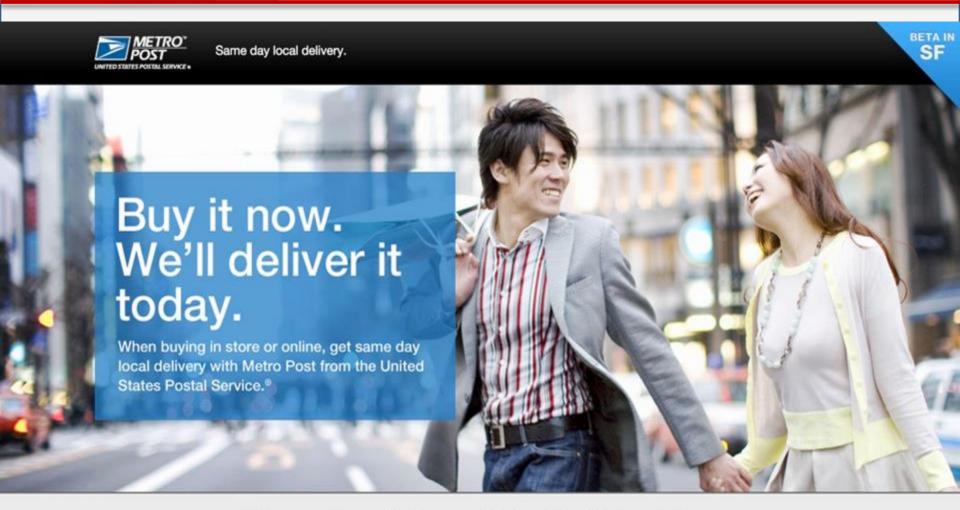
- Piloted in San Francisco
- Expanded to Southern CA: Los Angeles, San Diego and Orange County
- And now... in New York

Current Locations		
City	USPS ZIP Codes	
San Francisco CA	41	
Los Angeles CA	447	
San Diego CA	59	
New York NY (Metro)	141	
Long Island NY	138	
Total	826	



GROWING TOGETHER

USPS OPERATIONS



Stay on top of all your Metro Post™ updates.

Sign Up Now

Ship-From-Store solutions enable retailers to create online fulfillment centers in-store, to help deliver a seamless customer shopping experience across channels.



Scan Events



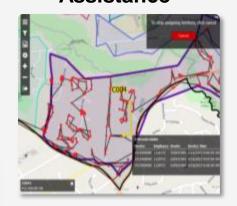
Carrier Assignments



Depart Facility



Carrier Pivots & Street
Assistance





PREDICTIVE DELIVERY

■USPS DELIVERY MANAGEMENT SYSTEM





Mobilize
Our Managers



Fully Connected Carriers

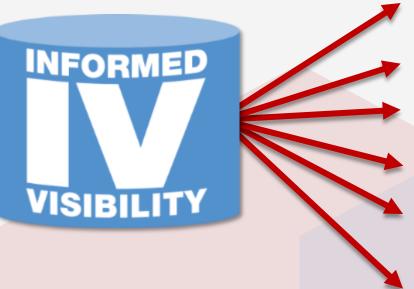


Realize Operational Efficiencies



IV is an enterprise system that will be a real-time single source of all mail and mail aggregate information.

IV will leverage data to provide business intelligence for USPS functional groups and the mailing industry, providing:



- Event-Driven Internal Measurement of all Mail
- Real-Time Service Performance Diagnostics
- Mail Inventory Management of Mail and Packages
- Predictive Workloads on Mail and Packages
- End-to-End Tracking of Mail
- Ease of Use

PASS Technology

- Employees "pass" mail piece under overhead camera to capture AAU scan
- Camera instantly captures multiple barcodes storing image
- Barcode data transmitted real-time to Package Database system for analysis
- Feedback returned to employee within <500 milliseconds with further handling instructions

DSS Technology

- Low cost scanning system using standard laptop and ring scanner
- Barcode data transmitted real-time to Package Database system for analysis
- Feedback returned to employee within <500 milliseconds with further handling instructions

DELIVERY UNIT TECHNOLOGY









- Deployed more than 200,000 MDDs to date
- Scans packages as they move through the USPS network real- time with GPS data
- Customers can track their package's progress through the My USPS.com tracking app
- Eliminates paper delivery receipts which improves efficiency



Small Package Sorting System (SPSS)

- Deployment of 5 phase I machines completed
- 21 machines in place for PEAK 2015

Increased Separations

- Bin Expansion of 10 APPS machines
- Bin Expansion of 47 APBS machines

Supplemental Induction Units

 Additional induction units on single induction APPS machines

Next Generation Sorters

Development efforts underway



Immediate Investment Commercial Off-the-Shelf Left Hand Drive vehicles

- Replacing vehicles well-past useful life
- Minivans fully deployed
- Mixed Delivery and Collection Vehicles "2 tons"
- Extended Capacity Left-Hand Drive (LHD) Vehicles to replace minivans
- Service Vehicles (tow trucks and maintenance vehicles)

Next Generation Vehicle Special Purpose Right Hand Drive Vehicle

- RFI completed and RFP for multiple prototype vehicles underway
- In process of determining what is available and can be done
- Identifying best-in-class flexible technology to ensure future adaptability as innovations emerge











New in 2015

- 124 automated package and bundle sorters expanded since last Fall Mailing Season
 - 5,488 additional separations added (avg of 44 per machine)
- 21 Small Package/Bundle Sorter Systems by Peak
- 75,000 cubic feet of additional air capacity per day
- **Expanded access to the network**
 - FAST appointments extended
 - Activated 187 Hubs
- Lean Mail Processing implemented in every plant
- New data analysis tools and reports (SPD)

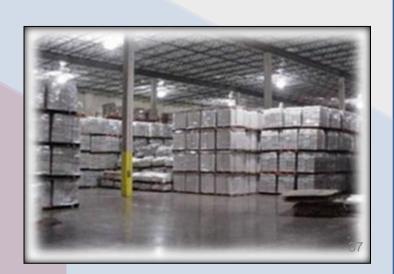


New in 2015

- Mobile Delivery Device deployment complete Sept. 2015
- DSS enhancements
- Indoor Parcel lockers Complete deployment of ~1,300 units by 10/15 with installation in lobbies by 11/1
- Lean Delivery Phase I implemented in every unit
- **Leverage Local Operations Centers**



- MTE Label Holder ordering is now available in MTEOR
- USPS purchased \$85M in New Buys for FY 2015
 - Plastic Pallets, Plastic Trays, Plastic Flat Tubs and Sleeves
 - Quarter 4 purchases still being received through September
- MTE Inventory is available to meet fall demand
 - 3.9 Million EMM Trays & Sleeves
 - 2.3 Million MM Trays & Sleeves
 - 1.5 Million Half-Trays & Sleeves
 - 2.0 Million Pallets
 - 2.7 Million Flat Tubs





Our Commitment



Sufficient capacity in our networks



Peak days/weeks identified & resource plans in place



Comprehensive contingency planning (weather)



Timely dispatches from our processing facilities



Industry partnership / communication

PCC COMMUNICATION













PCC VALUE Postal Customer Council **Business Service USPS Officers** Network Mailing Industry Area Focus Group Meetings **Mailers Technical Advisory Committee** PCC COMMUNITY **Postal Customer National Postal** Council Advisory Committee **Forum** Customer **Sales Team**

Events

PCC COLLABORATION







OUTREACH

EDUCATION

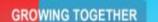
COLLABORATION





2015 PCC LEADERSHIP AWARD WINNERS





AWARD WINNERS – CONGRATULATIONS!

PHILADELPHIA PCC

2015 Premier Gold Award

SOUTH JERSEY PCC

2015 Premier Gold Award



2016 Leadership Awards

NEW

- PCC Membership Excellence Award
- Gold, Silver, Bronze Levels



- PCC of the Year Award (large/small market)
- No Levels One Award in each market

District Manager of the Year
 Fach Area nominates – Nation

- Each Area nominates National Recognition
- Gold, Silver, Bronze Levels

CHANGE

NATIONAL POSTAL FORUM 2016



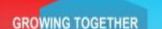
PCC Educational Workshops

PCC Opening Session

PCC Networking Opportunities

Exclusive Certification Programs

Over 100+ Exhibitors



SUCCESS TAKES A COLLECTIVE EFFORT

USPS - INDUSTRY COLLABORATION



GROWING TOGETHER

Exchange Ideas & Preempt Issues

- Area Mailing Industry Focus Groups
- MTAC
- PCC Meetings
- NPF
- Drive Innovation and Adopt Technology
- Committed to Collaboration/Communication

OPPORTUNITIES:

Area Mailing Industry Focus Groups – Calendar by Area https://ribbs.usps.gov/index.cfm?page=periodicalsfocus

NPF 2016 – Nashville, TN March 20-23 http://www.npf.org

PCC - 2016 PCC Week September 19-23

http://about.usps.com/postal-customer-council/connect-with-a-pcc.htm

MTAC - Meet Quarterly
https://ribbs.usps.gov/index.cfm?page=mtac



THANK YOU